



# *Office of Inspector General*

**Fiscal  
Year  
2000**

## **Audit Workload Plan**



**UNITED STATES  
POSTAL SERVICE**

## **TABLE OF CONTENTS**

<b>Introduction .....</b>	<b>ii</b>
<b>Overview .....</b>	<b>1</b>
<b>Background .....</b>	<b>2</b>
<b>Goals .....</b>	<b>3</b>
<b>Planning Process .....</b>	<b>4</b>
▪ Identifying the Project Universe .....	4
▪ Determining Project Priority .....	5
▪ Selecting Projects .....	5
<b>OIG Teams .....</b>	<b>7</b>
<b>Areas of Impact .....</b>	<b>10</b>
<b>Fiscal Year 2000 Audit Workload Plan .....</b>	<b>11</b>
▪ Performance of Core Business Processes .....	11
▪ Accepting and Processing .....	11
▪ Delivery and Collections .....	11
▪ Transportation .....	12
▪ Marketing, Sales, and Rate Making .....	13
▪ Revenue Protection .....	14
▪ Technology .....	15
▪ Computer and Technology Security .....	15
▪ Developmental .....	16
▪ Electronic Commerce .....	17
▪ Information Systems .....	18
▪ Financial .....	19
▪ Financial-Related .....	19
▪ Financial Statements .....	20
▪ Financial Districts and Installations .....	21
▪ Contracts and Facilities .....	22
▪ Contracts .....	22
▪ Facilities .....	23
▪ Employee and Labor Management .....	24
▪ Safety and Security .....	24
▪ Employee Relations .....	25
▪ Health Care Program Fraud .....	26
▪ Inspection Service, Legal/Congressional, and Other Significant Areas .....	27
▪ Inspection Service .....	27
▪ Support Operations .....	27

## Introduction

In the coming year, the Office of Inspector General (OIG) will examine and evaluate critical United States Postal Service operations and programs to enhance the Postal Service's ability to meet customer requirements, maintain market value, and fulfill employee needs. Our audit reports and management advisories provide analyses, appraisals, recommendations, counsel, and other information to improve the quality of Postal Service performance.

The FY 2000 Audit Workload Plan presents six broad areas of impact for OIG attention and is responsive to the USPS Voice of the Customer, Voice of the Employee, and Voice of the Business goals of *CustomerPerfect!*

Our efforts are designed to promote economy, efficiency, and effectiveness, and to prevent and detect fraud, waste, abuse, and mismanagement. We provide an independent and objective evaluation of financial and operational activities. Our reports provide timely information to postal management for decision making, as well as information for keeping the Governors and Congress fully informed of significant issues.

A handwritten signature in black ink, reading "Karla W. Corcoran". The signature is fluid and cursive, with the first name "Karla" being more prominent and the last name "Corcoran" following in a similar style.

Karla W. Corcoran  
Inspector General

# OFFICE OF INSPECTOR GENERAL

---

## Overview

**D**uring Fiscal Year (FY) 2000, the Office of Inspector General (OIG) will continue to help the United States Postal Service (USPS) identify and resolve information system problems arising from the Year 2000 (Y2K) technology problem, and conduct audits, evaluations, reviews, and investigations that will have a positive impact on Postal programs and operations.

Although we continue to build both staff and infrastructure, we believe the projects

scheduled this year will add value to the USPS. We appreciate the support the Governors, Postal management, and Congress have provided for our efforts to build a viable and independent OIG. We look forward to working with them throughout the year.

### **Office of Inspector General Mission**

- Conduct and supervise objective and independent audits and investigations relating to USPS programs and operations to:
  - Promote economy, efficiency, and effectiveness
  - Prevent and detect fraud and abuse
- Provide oversight of the Postal Inspection Service
- Keep the Governors and the Congress informed of problems and deficiencies, and corresponding corrective actions

Source: 5 USC Appendix 3, as amended

The *FY 2000 Audit Workload Plan* is an extrapolation of audit and audit-related projects derived from our annual performance planning process. The plan includes a brief background of the transition of audit duties, and a brief description of our goals, both external and internal. A discussion of our planning process is provided as further information and precedes a description of our OIG teams. The 151 audit projects<sup>1</sup> are listed according to six areas of impact, which are briefly described on page 10.

---

<sup>1</sup>Excludes the 332 District Accounting Office and Financial Installation audits transferring from the Inspection Service to the OIG after March 31, 2000.

## **Background**

Congress enacted legislation on September 30, 1996, creating a new and independent OIG within the Postal Service. In accordance with a Designation of Functions approved by the Postal Governors, the OIG and the Inspection Service shared responsibilities for conducting audits and reviews of Postal Service programs and operations. Accordingly, the OIG focused on systemic and postal-wide audits, while the Inspection Service conducted area, district, and installation audits. During these early years while the OIG was being established, the Inspection Service also provided resources and performed national audits to ensure a smooth transition of audit functions. Starting in FY 2000, the Inspection Service will cease its audit function and the OIG will assume the responsibility for all audit activities within the USPS.<sup>2</sup>

OIG audits, reviews, and evaluations are designed to protect assets and revenue, ensure efficient and economical mail delivery, and safeguard the integrity of the postal system. These audits and evaluations are performed in compliance with the standards published by the Comptroller General of the United States, the American Institute of Certified Public Accountants, the Institute of Internal Auditors, and the President's Council on Integrity and Efficiency. Audits conducted by the OIG can be characterized as performance and financial audits as described by the Comptroller General.

Performance audits evaluate risks associated with Postal Service operations, programs, and systems to determine their effect on corporate goals to provide universal mail service to the American public. The scope and objectives of performance audits are developed on an individual basis, with emphasis on producing value-added results for the Postal Service.

Financial audits are designed to assess the financial integrity of the Postal Service. The results of financial audits are expressed in our opinion on the Postal Service Consolidated Trial Balance. This work is an integral part of the annual certification of the Postal Service's financial statements by an independent public accounting firm contracted by the Board of Governors. Other financial-related audits are conducted to improve financial processes and strengthen the business viability of the Postal Service.

---

<sup>2</sup> The Inspection Service will continue to perform financial audits at the installation and district levels through March 31, 2000.

## Goals

In our *Strategic Plan for FYs 1998-2002*, we identified three external and three internal OIG goals aligned with each of the USPS *CustomerPerfect!* goals. We have recently undertaken a review of our strategic goals and strategies, and are working toward developing outcome-based performance measures. One product

of this effort was to reduce our strategic goals to one external goal that reflects the USPS *CustomerPerfect!* voices – Customer, Employee, and Business, and one internal goal (see inset box).

Our external strategic goal relates to work that we perform to enhance the ability of the USPS to achieve its goals and serve its

### OIG STRATEGIC GOALS

#### EXTERNAL

Enhancing USPS:

- Customer Service and Value
- Employee & Workplace Environment
- Financial Integrity & Business Viability

#### INTERNAL

Using OIG resources effectively

customers.<sup>3</sup> Our *FY 2000 Audit Workload Plan* supports our strategies to:

- Provide relevant, timely, objective, and independent audit and investigative services of Postal Service programs and operations affecting:
  - Customer services to collect, transport and deliver the mail
  - Financial management and viability
  - Employee relations and workplace environment
- Provide oversight of the Postal Inspection Service<sup>4</sup>

The plan presents our scheduled audit projects in six areas of impact:

- Performance of Core Business Processes
- Technology
- Financial
- Contracts and Facilities
- Employee and Labor Management
- Inspection Service, Legal/Congressional, and Other Significant Areas

Our internal goal reflects the commitment to our employees and internal business operations and provides us with a balanced scorecard of measures, represented in two categories:<sup>5</sup>

---

<sup>3</sup> The *USPS 5-Year Strategic Plan for FY 1998–2002* describes USPS mission and customers, “To provide every household and business across the United States with the ability to communicate and conduct business with each other...through...collection, transportation, and delivery of messages and merchandise.”

<sup>4</sup> Oversight of the Inspection Service includes audits, investigations, and other reviews of Inspection Service activities, including all law enforcement and management activities.

<sup>5</sup> Projects to support these categories are included in our internal *Annual Performance Plan*.

- Employee Effectiveness
- Internal Business Process

## **Planning Process**

### **Identifying the Project Universe**

The planning process has three interrelated prongs: the project universe, the annual performance plan, and the annual audit workload plan. Each will be described later in this section. As our knowledge of and familiarity with Postal programs and operations has increased, we have refined our planning process.

#### **SOURCES OF PROJECT UNIVERSE**

- **Postal Governors**
- **Postal managers**
- **Congressional requests**
- **Hotline complaints**
- **IG community**
- **Legislative actions**
- **Technology changes**
- **Emerging trends**
- **Results of prior audit and reviews**

This process started with the identification of a Postal project universe with input from OIG staff and various external sources. The project universe, which is continuously changing as the Postal Service identifies new programs and activities, is the umbrella of the plan. This year we identified nearly 1000 projects for OIG consideration. These projects can be described as:

- Audit and audit-related projects - Objective and systematic examinations of evidence for the purpose of providing an independent assessment of the financial statements or performance of an organization, program, activity, or function. Improves accountability and facilitates decision-making by responsible parties. Conducted by personnel who collectively have the necessary skills to effectively plan, conduct, and report the examination in conformance with applicable standards.
- Investigations – Focuses on areas of vulnerability for fraudulent activity and provides for comprehensive inquiry, normally conducted under the direction of a criminal investigator, including all forms of misdemeanor and felony allegations, background and security inquiries, and special investigations requested by any appropriate authority.
- Other projects includes:
  - Consulting – Range of services, other than audits and investigations, designed to answer questions or provide advice to senior managers in the organization.
  - Quick Response – Limited scope reviews designed to provide information to requestors expeditiously.

- Fact-findings – Inquiries, other than audits and investigations, conducted to independently identify and document a course of events, conditions, or occurrences.
- Internal enabling functions – Programs and activities to provide for OIG human resources, information technology, administrative services, and other infrastructure needs.

To staff for the entire universe of projects is unrealistic; therefore, projects are extracted from the universe using a project priority system.

### **Determining Project Priority**

We estimated the staff days required to complete each project in the universe and determined their priority using standardized risk factors. Each project topic was assessed with consideration for the level of USPS resources, both labor and capital, with larger resources meaning higher risk. Additionally, each project was gauged by its impact on Postal-wide operations and goals, with the greater impact meaning higher risk. Finally, projects were assessed according to their perceived sensitivity and visibility to media and/or legislative attention. Those projects that were more sensitive/visible were given higher risk.

#### **RISK FACTORS**

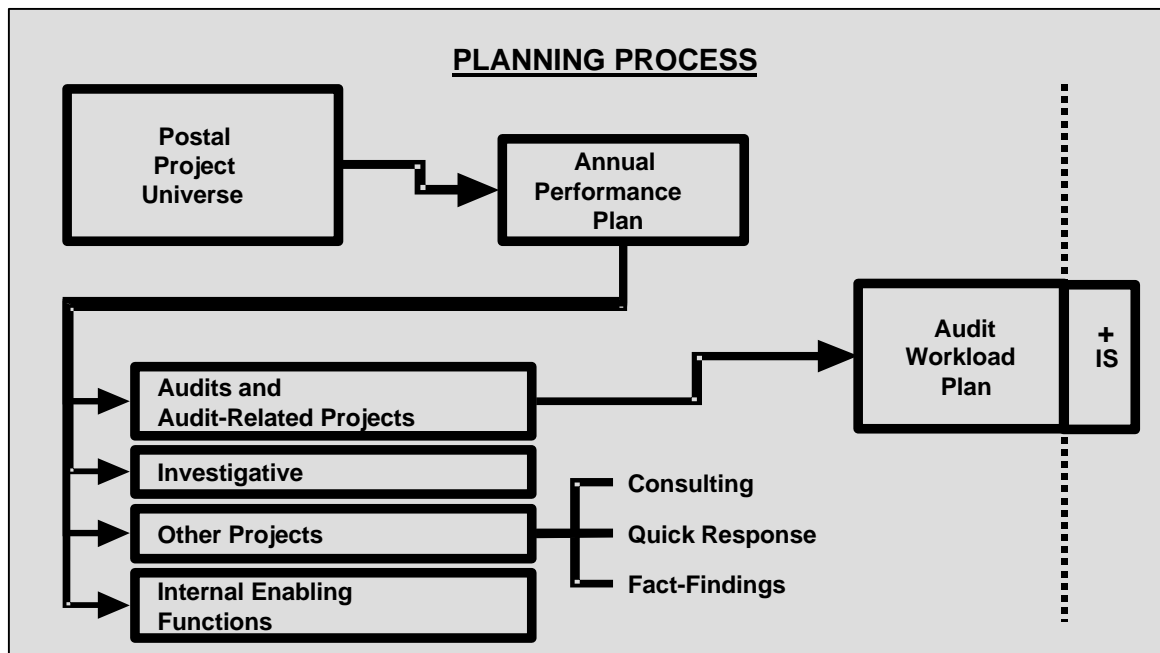
- **Level of USPS Resources**
  - **Labor**
  - **Capital**
- **Impact Postal-wide**
  - **Operations**
  - **Goals**
- **Sensitivity/Visibility**

### **Selecting Projects**

After determining the priority of projects in the universe, we held a series of planning meetings to discuss priorities, objectives, and our staffing levels to select those projects from the Postal project universe to be scheduled for the Annual Performance Plan. This is the second prong of the planning process. The plan includes audits and audit-related projects, investigative and other projects, and internal enabling functions, and establishes the requirements for the Office of Inspector General team award.

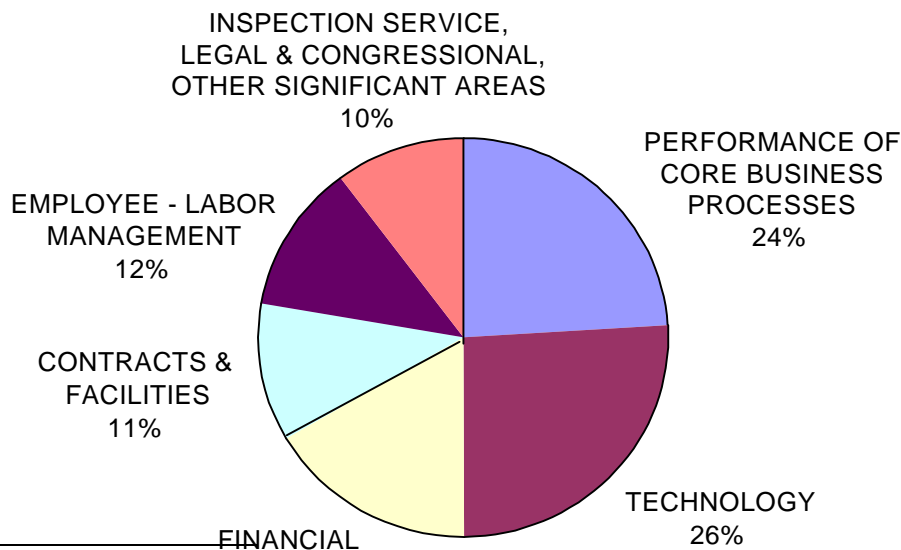
The third prong of the planning process is the Audit Workload Plan, which is an extrapolation of the audit work from our internal Annual Performance Plan plus any Inspection Service audit workload information. The Audit Workload Plan is available to the public in the fall of each year.





This document contains the *FY 2000 Audit Workload Plan*. The projects selected for the plan are presented under six areas of impact and identified by working title, description, and team. The chart below depicts the percent of projects<sup>6</sup> scheduled by area of impact. The nature of OIG work is such that we must be able to adjust our plan for contingencies and unexpected events during the year. We identified a number of projects not scheduled for attention this year, which are being maintained in inventory. We will review our performance at the end of each quarter, with a view toward increasing the number or changing the nature of projects to accomplish our mission and meet the challenges facing the USPS as we approach the new millennium.

**PERCENT OF PROJECTS BY AREA OF IMPACT**



<sup>6</sup>Excludes the 332 District Accounting Office and Financial Installation audits transferring from the Inspection Service to the OIG after March 31, 2000

## **OFFICE OF INSPECTOR GENERAL TEAMS**

### **ACCEPTING AND PROCESSING**

The OIG Accepting/Processing Team conducts audits, evaluations, and investigations focusing on mail acceptance and collection operations, and mail processing and distribution processes.

- Ralph Dorris, Director  
703-248-2357

### **COMPUTER INTRUSION**

The OIG Computer Intrusion Team conducts reviews to assist in identifying computer systems vulnerabilities so appropriate counter-measures may be implemented by Postal Service management; detects and investigates “computer hacking” and other high-technology crimes involving Postal Service computers and telecommunication systems.

- Howard Cox, Director  
703-248-2164

### **CONTRACTS**

The OIG Contract Audit Team assists Postal Service contracting officials by conducting audits, evaluations, and investigations of purchasing activities and operations. Starting in FY 2000, the OIG will begin to perform pre-award and post-award contract audits.

- Kim Stroud, Director  
703-228-2226

### **DELIVERY**

The OIG Delivery Team conducts audits, evaluations, and investigations covering delivery service processes and operations.

- Bennie Cruz, Director  
214-775-9116

### **DEVELOPMENTAL**

The OIG Developmental Team conducts audits, evaluations, and investigations of new or redesigned Postal Service systems, programs, and operations, including project initiation, requirements, design, testing, and implementation.

- Tracy LaPoint, Director  
703-248-2167

## **ELECTRONIC COMMERCE**

The OIG Electronic Commerce Team conducts audits and evaluations of Postal Service initiatives in this emerging field, including proposals to compensate for lost business and efforts to reengineer business processes to incorporate electronic commerce into daily operations.

- Bob Batta, Director  
703-248-2269

## **FACILITIES**

The OIG Facilities Team conducts audits, evaluations, and investigations of all aspects of facilities programs, including repair, renovation, and new construction.

- Tony Cannarella, Director  
703-248-2270

## **FINANCIAL**

The OIG Financial Audit Team conducts audits in support of the annual financial opinion and financial-related audits and investigations to identify areas for financial improvement. The Inspection Service will continue to perform financial audits of installations and District Accounting Offices through March 2000.

- John Seeba, Director  
703-248-2207
- Sheila Bruck, Director  
703-248-2126

## **HEALTH CARE FRAUD**

The OIG Health Care Fraud Team conducts audits, evaluations, and investigations to oversee and monitor the overall Workers' Compensation Program and other health care-related programs.

- Kathy Johnson, Director  
703-248-2160

## **INFORMATION SYSTEMS**

The OIG Information Systems Team conducts audits of major automated Postal Service management and information systems to determine whether applications are properly established and systems properly designed to provide accurate data to management.

- Dave Berran, Director  
703-248-2120

## **LABOR-MANAGEMENT**

The OIG Labor-Management Team conducts audits and evaluations of labor and employee relation issues within the Postal Service to foster and maintain a healthy organizational climate for employees, and to improve operational efficiency.

- Joyce Hansen, Director  
703-248-2170
- Chris Nicoloff, Director  
214-775-9114

## **OVERSIGHT**

The OIG Oversight Team conducts audits and evaluations of Inspection Service programs and operations.

- Bob Pemberton, Director  
703-248-2190

## **REVENUE GENERATION**

The OIG Revenue Generation Team conducts audits and evaluations of the major sources of revenue from the marketing, advertising, stamp services, retail, and international mail business operations, as well as postal rate cases.

- Larry Chisley, Director  
703-248-2352

## **SUPPORT OPERATIONS**

The OIG Support Team conducts audits, evaluations, and investigations covering enabling processes that support more than a single core business process.

- Gwen Johnson, Director  
703-248-2159

## **TRANSPORTATION**

The OIG Transportation Team conducts audits, evaluations, and investigations focusing on both inter- and intra-transportation and logistics operations, specifically addressing the Postal Service fleet operations, and contracted airline, highway, and rail service performance.

- Debra Ritt, Director  
703-248-2198

## **AREAS OF IMPACT**

Following is a brief description of the areas on which our planned audit projects are intended to impact.

### **1. Performance of Core Business Processes**

Improve the efficiency and effectiveness of Postal processes and operations designed to:

- Enhance customer service and market value
- Increase and protect revenues
- Reduce expenses and fraud

### **2. Technology**

Improve processes utilized for system development and design, including proper internal control structure; enhance the usefulness and reliability of data in information systems; and review technological enhancements.

### **3. Financial**

Improve financial-related processes and assess the reliability of financial data to enhance USPS financial integrity.

### **4. Contracts and Facilities**

Improve the Postal contracting and purchasing programs and facility design, acquisition, and management processes to enhance financial integrity and viability.

### **5. Employee and Labor Management**

Improve the efficiency and effectiveness of Postal programs and initiatives that are aimed at:

- Reducing abuse, threats, and hazards in the workplace
- Increasing employee satisfaction and effectiveness
- Combating program fraud

### **6. Inspection Service, Legal/Congressional, and Other Significant Areas**

Improve enabling programs and operations responsible for:

- Protecting the mails, the public, and Postal employees from criminal attack and abuse
- Providing legal services and Congressional liaison
- Providing other support functions

UNITED STATES POSTAL SERVICE  
OFFICE OF INSPECTOR GENERAL

# FY 2000 AUDIT WORKLOAD PLAN

## PERFORMANCE OF CORE BUSINESS PROCESSES

### ACCEPTING AND PROCESSING

PROJECT	DESCRIPTION	TEAM
▪ Preventive Maintenance - Phase II	Evaluate the program to determine if scheduled preventive maintenance is being performed and if the data system enables management to review the program.	Delivery
▪ Export Controls	Evaluate the role of USPS in export controls and determine whether outbound international mail could be used to circumvent these controls.	Accepting and Processing

### DELIVERY AND COLLECTIONS

PROJECT	DESCRIPTION	TEAM
▪ Priority End-to-End Model	Evaluate sufficiency and appropriateness of the external measurement system being conducted under contract.	Delivery
▪ Decision Analysis on Delivery Vehicle Replacement	Determine the accuracy and reliability of the decision analysis supporting the planned investment to replace the current fleet.	Delivery
▪ Delivery Confirmation	Evaluate internal controls used to ensure that packages are scanned properly at the time of delivery, attempted delivery, forwarding, or returning to sender.	Delivery
▪ Vehicle Maintenance Operations	Assess the reliability of vehicle maintenance data and assess operating and cost effectiveness of vehicle maintenance operations.	Delivery

## TRANSPORTATION

PROJECT	DESCRIPTION	TEAM
▪ Justification for Extra Trips	Determine if potential cost savings exist through the elimination of unnecessary trips.	Transportation
▪ Fuel Recertification	Determine whether fuel costs for highway contractors are promptly adjusted to realize cost savings.	Transportation
▪ Accuracy of Payments to Highway Contractors	Assess controls to ensure that payments are accurate and overpayments are identified.	Transportation
▪ Contractor Payments for Air Reservation System	Determine the reasonableness of contractor payments.	Transportation
▪ Transportation Planning for Electronic Commerce	Evaluate USPS planning in transportation contracting to prepare for electronic commerce.	Transportation
▪ Christmas Operations	Evaluate USPS Christmas Operations transportation costs.	Transportation
▪ Handling and Transportation of Hazardous Materials	Determine if USPS is adequately identifying hazardous materials shipments.	Transportation
▪ Opportunities to Get Mail Back on Rail	Assess USPS planning efforts on use of rail transportation in the Bulk Mail Center network and on movement of First-Class and Priority Mail in the northeast corridor.	Transportation
▪ Performance of Mail Transport Equipment Service Centers	Determine whether the Mail Transportation Equipment Service Centers are achieving stated performance and financial goals.	Transportation

## MARKETING, SALES, AND RATE MAKING

PROJECT	DESCRIPTION	TEAM
▪ Local Advertising Initiatives	Evaluate the management and effectiveness of advertising efforts at the local area.	Revenue Generation
▪ Role of the Marketing Division in the USPS	Evaluate how the role of marketing contributes to the successful development and promotion of USPS products and services.	Revenue Generation
▪ Sales Force Augmentation III	Review the continued implementation and accuracy of the provider billings.	Revenue Generation
▪ Premier Account Management	Review the effectiveness and management of USPS premier accounts programs.	Revenue Generation
▪ Data Collection Process Management for Rate Cases	Review the overall management of the data collection process.	Revenue Generation
▪ Retail Operations-Dallas Metro Area	Perform a comprehensive review of retail operations in a major metro area.	Revenue Generation
▪ Performance Standards-Retail Clerks	Review the effectiveness of performance standards in place for retail clerks.	Revenue Generation
▪ Stamp Fulfillment Center Performance Measures	Review the effectiveness and attainment of established performance measures for the Kansas City Stamp Fulfillment Center.	Revenue Generation
▪ Stamp Printing Volumes	Examine the cost effectiveness for the volume of stamps printed.	Revenue Generation
▪ Postal Museum Operations	Examine the Return-on-Investment for USPS contribution to the National Postal Museum.	Revenue Generation



## REVENUE PROTECTION

PROJECT	DESCRIPTION	TEAM
▪ Integrity of Plant Verified Drop Shipment	Evaluate the integrity and reliability of the verified drop shipment process.	Accepting and Processing
▪ Coding Accuracy and Support System	Determine whether mailers are receiving discounts after their certifications/validations have expired.	Accepting and Processing
▪ Alternate Procedures for Large Mailers	Determine if revenues from large mailers cover associated costs and if procedures followed by large mailers are effective alternatives to standard USPS procedures.	Accepting and Processing
▪ Accuracy of the Manifest Mailing System	Evaluate internal controls used to ensure that manifests are accurate and that appropriate billings are made.	Accepting and Processing
▪ Business Mail Acceptance Unit Staffing and Scheduling	Assess the effectiveness of staffing and scheduling at Bulk Mail Acceptance Units.	Support Operations

# TECHNOLOGY

## COMPUTER AND TECHNOLOGY SECURITY

PROJECT	DESCRIPTION	TEAM
▪ USPS Computer Security	Evaluate policies and procedures for computer security implementation.	Information Systems
▪ Telecommunication Security	Assess the effectiveness of telecommunications security controls within the USPS.	Information Systems
▪ Computer Security of MDIMS	Review computer security of Material Distribution and Inventory Management System (MDIMS).	Information Systems
▪ Hotline: Security of Privacy Act Data in USPS Systems	Review security measures taken for protecting Privacy Act data.	Information Systems
▪ Penetration Testing Protocol	Design and implement a protocol for use in prototype penetration testing of USPS computers.	Computer Intrusion
▪ Raleigh Phone Scan	Develop protocol and perform commercial telephone scan of the Raleigh facility to search for unauthorized modem connections.	Computer Intrusion
▪ USPS Topology	Review USPS information system topology to assess the architecture and potential vulnerabilities.	Computer Intrusion
▪ Computer Security Awareness Briefing	Evaluate USPS computer security awareness training.	Computer Intrusion
▪ Internet Security	Examine specific USPS electronic commerce systems to evaluate internet access controls.	Electronic Commerce

## DEVELOPMENTAL

PROJECT	DESCRIPTION	TEAM
▪ POS ONE Monitoring	Provide continuous review of Point Of Service (POS) ONE development and deployment.	Developmental
▪ Monitoring of POS ONE -Phase II	Provide continuous review of POS ONE development and deployment.	Developmental
▪ Monitoring of TMS - Phase III	Evaluate the performance and costs associated with the Tray Management System (TMS) project.	Developmental
▪ Monitoring of TMS - FY 2000	Evaluate the performance and costs associated with the TMS project.	Developmental
▪ Corporate Call Management	Assess the costs in relation to overall performance for the Corporate Call Management program.	Developmental
▪ DAR Process	Evaluate the adequacy and effectiveness of the Decision Analysis Review (DAR) process.	Developmental
▪ Selected Engineering Research and Development Projects	Monitor and evaluate the research of new automation initiatives that are critical to the Integrated Postal Facility.	Developmental
▪ Delivery Operations Information System	Evaluate the development of the Delivery Operations Information System and determine the effectiveness of the program.	Developmental
▪ Robotics - Phase II	Evaluate the performance and costs associated with the Robotics program.	Developmental
▪ Implementation of Very Small Aperture Terminal Satellite System	Evaluate the adequacy and effective of deployment of the Very Small Aperture Satellite System.	Developmental
▪ Selected System Development Projects	Monitor and evaluate the development of new systems.	Developmental

## ELECTRONIC COMMERCE

PROJECT	DESCRIPTION	TEAM
▪ Postalwide EC Survey	Assess the Postal Service's electronic commerce (EC) environment and activities.	Electronic Commerce
▪ EC Planning and Budgeting	Evaluate strategic/operational planning and budgeting for electronic commerce.	Electronic Commerce
▪ EC Infrastructure	Evaluate the electronic commerce organization.	Electronic Commerce
▪ EC System Development Life Cycle	Evaluate controls over the development and implementation of specific electronic commerce systems.	Electronic Commerce
▪ EC System	Assess a major electronic commerce system and its potential for revenue generation.	Electronic Commerce

## INFORMATION SYSTEMS

PROJECT	DESCRIPTION	TEAM
▪ Telecommunication Internal Controls	Evaluate internal controls related to economy, efficiency, and effectiveness of telecommunications functions.	Information Systems
▪ Network Access Controls	Evaluate controls over internal and external access to USPS telecommunications.	Information Systems
▪ Telecommunication Network Controls	Determine the appropriateness of current expenses related to maintaining the telecom network.	Information Systems
▪ System Development Life Cycle Controls	Evaluate controls over the development and implementation of major software systems.	Information Systems
▪ Software Change Controls	Review controls over how changes are defined, authorized, and implemented.	Information Systems
▪ General Controls Review-Mainframe Operating Systems	Evaluate controls over operating systems at information processing centers.	Information Systems
▪ Software License Controls	Evaluate effectiveness of controls over the use of commercial software.	Information Systems
▪ Internet Firewalls	Evaluate implementation and effectiveness of USPS firewalls.	Information Systems
▪ Y2K Progress - Quarterly Review	Report on USPS progress to become Y2K ready.	Information Systems
▪ Y2K Progress - Quarterly Review	Report on USPS progress to become Y2K ready.	Information Systems
▪ Facilities Management Systems	Assess integrity of Facilities Management System.	Information Systems

# FINANCIAL

## FINANCIAL-RELATED

PROJECT	DESCRIPTION	TEAM
▪ FY 1999 Budget Reduction Initiatives	Review financial and operational impact of USPS FY 1999 budget reductions and cost containment initiatives.	Financial
▪ International Travel II (Claims)	Examine the accuracy and support for travel expenses incurred for international trips.	Financial
▪ Asset Management	Review of asset management program and accounting system.	Financial
▪ Excess Property & Environmental Liabilities	Review the reporting process of excess USPS owned facilities.	Financial
▪ International Mail Accounting System	Evaluate USPS project to implement a new International Accounting System.	Financial
▪ Personal Property Accounting System	Review the USPS Personal Property Accounting System to determine effectiveness in accounting for capital equipment.	Financial
▪ Information Systems Charge-Backs	Review information systems charge-backs to determine if they are properly charged for costs incurred.	Financial
▪ Capital Budget	Evaluate USPS policies and procedures for developing capital budgets.	Financial
▪ Appropriation Request	Evaluate USPS policies and procedures for developing annual appropriation requests.	Financial
▪ Use of Suspense Accounts	Evaluate the use of the suspense accounts in the general ledger.	Financial
▪ Postal Paychecks	Evaluate USPS initiatives to eliminate/reduce the issuance of paper checks.	Financial
▪ Unit Accountability	Evaluate whether the unit accountability of the window clerks is effective.	Financial
▪ Environmental Liabilities	Review potential environmental liabilities.	Financial
▪ Bank Secrecy Act Update	Perform a status update of USPS anti-money laundering program.	Financial
▪ Accounts Receivable	Review accounts receivables.	Financial

### FINANCIAL-RELATED (cont)

<b>PROJECT</b>	<b>DESCRIPTION</b>	<b>TEAM</b>
▪ ANET Fuel Charges	Evaluate the formula used to determine fuel cost reimbursements.	Financial
▪ Meter Accountability Tracking System	Evaluate the controls and accuracy of data contained in the system.	Financial
▪ USPS Thrift Savings Plan Program	Review USPS Thrift Savings Plan.	Financial
▪ Overtime Cost Controls	Review internal controls on overtime.	Financial

### FINANCIAL STATEMENTS

<b>PROJECT</b>	<b>DESCRIPTION</b>	<b>TEAM</b>
▪ Headquarters	FY 1999 completion work	Financial
▪ St. Louis	FY 1999 completion work	Financial
▪ Minneapolis	FY 1999 completion work	Financial
▪ San Mateo	FY 1999 completion work	Financial
▪ Headquarters	FY 2000 work	Financial
▪ St. Louis	FY 2000 work	Financial
▪ St. Louis – EDP	FY 2000 Section 700 work	Financial
▪ Minneapolis	FY 2000 work	Financial
▪ Minneapolis – EDP	FY 2000 Section 700 work	Financial
▪ San Mateo	FY 2000 work	Financial
▪ San Mateo – EDP	FY 2000 Section 700 work	Financial
▪ Expense Review	FY 2000 Governors' Travel & Meeting Expenses	Financial
▪ Expense Review	FY 2000 Officers' Travel & Rep Expenses	Financial

## FINANCIAL DISTRICTS AND INSTALLATIONS<sup>7</sup>

AREA	DESCRIPTION	TEAM
▪ Allegheny	6 District Accounting Offices and 32 Financial Installations	Financial
▪ Capital Metro	2 Financial Installations	Financial
▪ Great Lakes	4 District Accounting Offices and 47 Financial Installations	Financial
▪ Mid-Atlantic	2 District Accounting Offices and 31 Financial Installations	Financial
▪ Midwest	4 District Accounting Offices and 35 Financial Installations	Financial
▪ New York Metro	4 District Accounting Offices and 26 Financial Installations	Financial
▪ Northeast	2 District Accounting Offices and 23 Financial Installations	Financial
▪ Pacific	6 District Accounting Offices and 31 Financial Installations	Financial
▪ Southeast	2 District Accounting Offices and 34 Financial Installations	Financial
▪ Southwest	6 District Accounting Offices and 13 Financial Installations	Financial
▪ Western	4 District Accounting Offices and 17 Financial Installations	Financial

---

<sup>7</sup> The Inspection Service will continue to perform financial audits at the installation and district levels through March 31, 2000. The OIG will assume the responsibility for these audits after March 31, 2000.



# CONTRACTS AND FACILITIES

## CONTRACTS

PROJECT	DESCRIPTION	TEAM
▪ Management of Preaward and Postaward Contract Audit Program	Identify and evaluate selected USPS contracts.	Contracts
▪ Defective Pricing Audits (DCAA)	Identify and evaluate selected USPS contracts.	Contracts
▪ Contracting Officer's Representatives	Determine if Contracting Officer Representatives provide adequate administration of contracts.	Contracts
▪ Purchase of Mack Trucks	Evaluate the adequacy of controls over the purchase, delivery, and acceptance of Mack trucks.	Contracts
▪ Air Reservation System	Evaluate the adequacy of management controls and services provided under contract for the development of an air reservations system.	Contracts
▪ Controls Over EDP/ADP Contracting	Evaluate the adequacy of general and management controls over contracting for EDP/ADP services.	Contracts
▪ Guaranteed Maximum Construction Contracts	Evaluate the effectiveness of using guaranteed maximum contracts in construction projects.	Contracts
▪ Indefinite Quantity Contracts	Evaluate the effectiveness of USPS contractors using industry standards to price out proposals in USPS procurements.	Contracts
▪ Liquidated Damages	Evaluate the process used to assess and collect liquidated damages under contracts.	Contracts

## FACILITIES

PROJECT	DESCRIPTION	TEAM
▪ New Construction Projects	Evaluate the facility procurement processes.	Facilities
▪ USPS Environmental Program	Determine if the Postal Service is in compliance with environmental laws and regulations.	Facilities
▪ Disposal of Old Chicago Post Office	Review procedures for, and execution of, disposing of facility.	Facilities
▪ Facilities Contract Administration	Review project authorizations and commitments for facilities projects.	Facilities
▪ Capital Projects over \$10 million	Evaluate capital projects over \$10 million.	Facilities

# EMPLOYEE AND LABOR MANAGEMENT

## SAFETY AND SECURITY

PROJECT	DESCRIPTION	TEAM
▪ Health and Safety Process	Review allegations of unsafe physical working conditions at Dallas, Texas.	Labor Mgmt
▪ Health and Safety Process	Survey USPS' identification of substandard facilities.	Labor Mgmt
▪ Health and Safety Process	Review USPS' identification of substandard facilities.	Labor Mgmt
▪ Health and Safety Process	Survey the implementation of the Health and Safety Program.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the violence prevention program at Little Rock, Arkansas.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Congressional Request - Review allegations of hostile working environment at Tuscaloosa, Alabama.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the violence prevention criteria.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the violence prevention program in the Southeast Area.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the violence prevention program in the Pacific Area.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the violence prevention program in the Mid-Atlantic Area.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the Employee Assistance Program.	Labor Mgmt
▪ Prevention of Violence in the Workplace	Review the employee workplace climate assessments.	Labor Mgmt

## EMPLOYEE RELATIONS

PROJECT	DESCRIPTION	TEAM
▪ Alternate Dispute Resolution	Review the management of the Alternate Dispute Resolution program.	Labor Mgmt
▪ EEO Process Administration	Survey the implementation of the EEO process and procedures at San Antonio - Phase II.	Labor Mgmt
▪ Disciplinary Action Process	Survey the implementation of the disciplinary action policies and procedures in the Atlanta District.	Labor Mgmt
▪ Disciplinary Action Process	Review the implementation of the disciplinary action policies and procedures in the Fort Worth District.	Labor Mgmt
▪ Disciplinary Action Process	Review the implementation of management removals/reassignments.	Labor Mgmt
▪ Duty Assignments & Organizational Climate	Survey the administration of light and limited duty assignments at Long Island, New York.	Labor Mgmt
▪ Duty Assignments & Organizational Climate	Review the administration of light and limited duty assignments.	Labor Mgmt
▪ Organizational Climate & Pay and Benefits	Survey the administration authorization and usage of overtime.	Labor Mgmt
▪ Performance Evaluation System	Survey the effect of the Economic Value-Added system on USPS supervisors/managers, operations, and workplace environment.	Labor Mgmt

## HEALTH CARE PROGRAM FRAUD

PROJECT	DESCRIPTION	TEAM
▪ Workers' Compensation Fee Schedules	Review the Office of Workers' Compensation's use of the inpatient fee schedule.	Health Care Fraud
▪ Collection of Wage Compensation Overpayments	Evaluate the effectiveness of USPS' controls over "return to work" wage compensation payments in the Allegheny Area.	Health Care Fraud
▪ Collection of Wage Compensation Overpayments	Evaluate the effectiveness of USPS' controls over "return to work" wage compensation payments in the Southwest Area.	Health Care Fraud
▪ Collection of Wage Compensation Overpayments	Evaluate the effectiveness of USPS' controls over "return to work" wage compensation payments in the New York Metro Area.	Health Care Fraud
▪ Collection of Wage Compensation Overpayments	Evaluate the effectiveness of USPS' controls over "return to work" wage compensation payments in the Southeast Area.	Health Care Fraud
▪ Collection of Wage Compensation Overpayments	Evaluate the effectiveness of USPS' controls over "return to work" wage compensation payments in the Northeast Area.	Health Care Fraud

# INSPECTION SERVICE, LEGAL/CONGRESSIONAL, AND OTHER SIGNIFICANT AREAS

## INSPECTION SERVICE

PROJECT	DESCRIPTION	TEAM
▪ Inspection Service Reporting Process	Assess the effectiveness and accuracy of the Inspection Service's process for reporting project information, including cost-savings figures.	Oversight
▪ Security of Postal Remittances	Determine if the Inspection Service is capable of providing adequate security for postal remittances.	Oversight
▪ Inspection Service Disciplinary Process	Determine if the Inspection Service's disciplinary procedures are fair and consistent.	Oversight
▪ Evidence Handling	Assess the effectiveness of controls and procedures used to handle and process evidence.	Oversight
▪ Self-Referred General Counseling Program	Evaluate the management and operation of the Inspection Service's Self-Referred General Counseling Program.	Oversight
▪ Inspection Service Awards Program	Determine if the Inspection Service's awards program (financial and non-cash equivalent awards) is properly implemented.	Oversight
▪ Internal Controls for Contracts	Assess the effectiveness of controls over the Inspection Service's contracting program.	Oversight
▪ Personnel Security Program	Evaluate the effectiveness of the Inspection Service's procedures for conducting background investigations.	Oversight

## SUPPORT OPERATIONS

PROJECT	DESCRIPTION	TEAM
▪ Total Factor Productivity – Phase II	Evaluate the integrity and reliability of data used to compute Total Factor Productivity (TFP).	Support Operations
▪ Address Management System	Assess the adequacy of internal controls and billing processes of the National Customer Support Center.	Support Operations
▪ Economic Value-Added Program	Evaluate the appropriateness of the Economic Value-Added (EVA) program as a performance measure.	Support Operations
▪ USPS Government Performance Results Act efforts	Monitor USPS Government Performance Results Act (GPRA) efforts.	Support Operations

